APEX COMMERCIAL CAPITAL DISPUTE RESOLUTION PROGRAM

Introduction

Apex Commercial Capital (the “Company”) seeks the most effective way to resolve all workplace disputes – one that would benefit all parties by quicker resolution of employment problems, substantially reducing possible legal expenses while preserving employment relationships. In most employment disputes, parties should be able to resolve their differences through discussions with their immediate supervisor. However, there are situations and times when this is not possible. Other alternatives should be considered like the internal "Open Door" policy. If this process does not offer a satisfactory solution there is mediation. Finally, there is arbitration through the American Arbitration Association (AAA).

This approach, called the Apex Commercial Capital Dispute Resolution Program (the “Dispute Resolution Program” or the “Program”), is a three-step plan, binding all employees from executives to entry level staff, to include final and binding arbitration of most disputes, claims, or controversies arising out of the employment or termination of employment or otherwise related to the employment other than workers' compensation, unemployment claims and criminal misconduct. However, if you believe you have been fired, laid off or unjustly treated because you filed a claim for an on-the-job injury, you would resolve your dispute through the Dispute Resolution Program. This Program is the exclusive method to handle almost all employment-related disputes for employees. Nothing in this document shall be interpreted to mean that you are precluded from filing complaints with the Pennsylvania Human Relations Commission and/or the Equal Employment Opportunity Commission and/or the National Labor Relations Board. This Program is intended to be binding both on the Company and its employees unless and until it is modified, amended or terminated in writing by the Company.

Apex Commercial Capital Dispute Resolution Program Step One - Open Door Policy

When difficult situations happen at work, you may feel there is no place to go to resolve them. How can you go to your supervisor if your problem is with your supervisor? Where can you take your problem that will not threaten your job? You talk to your family and friends who may offer sympathy and advice but no real answers. Tensions build up at work and the problem gets bigger.

Working out problems when they're small often prevents the misunderstandings that occur when communication breaks down. When people stop talking to each other, they focus on their anger and what they imagine to be true instead of the facts. You and the Company stand the best chance of resolving problems by tackling them together through the Open Door Policy before they become crises.

What is the Open Door Policy?

The Open Door Policy guarantees that all doors are open to you within the Company. It offers you a variety of ways through which you can solve your problem. It is an internal process that allows you to talk to your immediate supervisor or to a higher level of management without fear of retaliation. Although you are encouraged to solve your problem at the lowest possible level, you may take it as far up the chain of command as needed.

Whenever possible, you should try to resolve your problems at work with your immediate supervisor as soon as they arise. Because this person is close to your situation, this person may already be aware of the problem or be in a position to offer a new perspective or some new facts that may be helpful to you.

Sometimes your supervisor may be part of the problem. If you are not satisfied with your immediate supervisor's response or need to talk to someone other than your supervisor, you may take your problem to the next higher level of management. You are encouraged to follow the specific chain of command in your department, since that is often the most direct way of getting matters resolved. Any problems/disputes that you wish to raise must be addressed within sixty (60) days from the date the dispute occurred.

If you are still not satisfied with the outcome, you are encouraged to obtain advice and assistance with your problem through the Human Resources Department at 215-728-8281. Human Resource management can help you by:

- Answering your questions
- Acting as a go-between
- Reviewing your options
- Getting the facts
- Referring you to other resources
- Helping you to help yourself

Human Resources management will handle most of the details involved in overseeing the Dispute Resolution Program, including arranging conferences and other internal dispute processes and answering questions about the Dispute Resolution Program and/or the interpretation or application of the Company's policies or procedures.

Whether you go through the chain of command in your department or to Human Resources management, the Company is committed to dealing with problems/disputes as quickly as possible.

Nine Good Reasons to Use the Open Door Policy

1. Management is committed to it.
2. It makes early problem-solving more likely.
3. It encourages you to give feedback to management.
4. You get your questions answered and learn about your options.
5. You have instant support.
6. It's free.
7. It's flexible.
8. Retaliation is forbidden.
9. It helps you to help yourself.

If you are not satisfied with the results of the Open Door Policy, and you believe your complaint still has merit, you must use the American Arbitration Association ("AAA") for mediation or ultimately binding arbitration for almost all complaints.

Role of the American Arbitration Association ("AAA")

The AAA is a public service, nonprofit organization that offers a wide range of dispute resolution services to private individuals, businesses, and associations.

Step Two - Mediation

Mediation is often the most straightforward and cost-effective method of examining and resolving disputes. For many people, just presenting their case to someone outside the Company who is not

involved in their problem is all that is needed to break a stalemate. Mediation is a meeting in which a neutral third party, called a mediator, helps you and the Company come to an agreement, based on the needs and interests of both parties. Mediation helps primarily by opening up communication and by coming up with options. It is a non-binding process. That means the mediator can make suggestions, but you and the Company are responsible for resolving your dispute. All mediation in this Program will use an AAA mediator as the neutral party.

Typical Mediation Steps

- When you request mediation, AAA will assign a professional mediator who is located at an AAA regional office in Philadelphia.
- The first meeting date is arranged after the mediator is selected by the AAA.
- You and a Company representative will meet with the mediator who will guide your discussion and help to work out your difference.
- The mediator may meet privately with you and the Company representative to try to develop a better understanding of the problem and help you solve it.
- Mediation has great success in helping reach a resolution.
- If not, and you wish to continue to pursue your dispute, you must take your dispute to arbitration for a final and binding decision for all claims except those alleging sexual assault or sexual harassment.

Key Advantages of Mediation

Because mediation has proven highly successful in the majority of cases, it is generally the outside resolution process of choice. It offers the following advantages:

- Provides the opportunity for both sides to tell their story
- Lets both sides have a third party perspective
- Helps reduce feelings of hostility
- Helps separate emotional issues from factual issues
- Promotes discussion of creative solutions
- Helps people work things out themselves
- Offers an opportunity for win-win solutions (A solution that is good for both you and the Company)

Requesting Mediation

Requests for mediation of your dispute must be made in writing within thirty (30) days after completion of the procedure under the Open Door Policy if you are not satisfied with the results. To request an outside process, call:

American Arbitration Association
856-435-6401

Step Three - Arbitration

If the dispute involves a legally protected right, such as discrimination for age, race, sex, religion, disability, other issues arising out of employment or termination of employment, other than sexual assault or sexual harassment, and has not been resolved in steps One or Two, you or the Company must request arbitration for a final and binding resolution of your problem. While you do not have to proceed through each of the steps in their exact numerical order, the Program is designed with multiple steps to maximize the possibility of resolution prior to Step Three. All outside dispute resolution processes in this Program will use neutral parties provided by the American Arbitration

Association (AAA). You and the Company agree that arbitration will be binding and will determine the final resolution of the dispute. Except as otherwise expressly provided elsewhere in this document, any and all claims against Apex, its officers, directors, agents and employees relating in any way to your employment or the termination of your employment must be arbitrated. **You will not have the right to participate in a representative capacity or as a member of any class action of claimants pertaining to any claim or dispute subject to arbitration. There shall be no right or authority for any covered claims or disputes to be arbitrated on a class action basis or on any basis involving claims or disputes brought in a purported representative capacity on behalf of the general public, other employees or other persons or entities similarly situated.** Furthermore, any claims or disputes you bring may not be joined or consolidated in the arbitration with claims or disputes brought by any other employee or other person.

What is Arbitration?

Arbitration is a process in which a dispute is presented to a neutral third party, the arbitrator, for a final and binding decision. The arbitrator makes this decision after both sides present their evidence and arguments at the arbitration hearing. **There is no jury.** The arbitrator has the same authority as a judge or jury to make decisions and to award monetary damages. The arbitrator is bound by the same legal principles binding in a court of law. If you win, you can be awarded anything you might seek through a court of law. With arbitration, the decision is final; except under rare circumstances, it will not be subject to review in subsequent proceedings.

The neutral party, AAA, runs the proceedings, which are held privately. Though arbitration is much less formal than a court trial, it is an orderly proceeding, governed by rules of procedure and legal standards of conduct.

How Will Arbitration Benefit Me?

Arbitration reduces the sometimes-overwhelming expense of litigation for both plaintiffs and defendants. By shortening the dispute resolution process and simplifying the procedures, both parties likely will save considerably on costs related to litigation and receive a determination more quickly. A party may reduce expenses for legal fees by representing oneself. Even when represented by an attorney, there is the potential for savings over the cost of litigation because arbitration generally entails less time, less expense, and less aggravation than litigation.

While your attorney may not require payment unless you win (an arrangement known as a contingency fee), there are certain charges related to litigation that you must pay in addition to attorney's fees. These charges may include filing fees, deposition witness fees, transcript fees, expert witness fees, postage, facsimile charges, copying expenses and the cost of phone calls.

The Company has adopted the Dispute Resolution Program because it believes that resolving disputes by arbitration rather than litigation is more beneficial for both parties involved.

Appointment of Arbitrators

Arbitrators serving under the AAA rules (copies of these rules are available through Human Resources or the American Arbitration Association) are knowledgeable and have experience in the employment field. Applicants are carefully screened for their experience and competence, neutrality, dispute management skills commitment and availability to devote time to resolve disputes. They also receive training from the AAA. The rules provide a method for selecting and replacing arbitrators. The arbitrators include senior attorneys, retired judges, law professors and members of the National Academy of Arbitrators.

Any person appointed as arbitrator must be completely impartial and is obligated to disclose any past,

present, or potential relationships with the parties, their representatives and witnesses in a case.

Typical Arbitration Steps

1. A party involved in a legal dispute files a demand for arbitration with an AAA office.
2. Any other parties involved are notified.
3. AAA offers a list of qualified arbitrators.
4. Each party numbers the list in order of preference.
5. An arbitrator is selected based on the parties' preferences.
6. AAA arranges a hearing on a convenient date and at a convenient location.
7. Generally, the arbitrator will speak to the parties and discuss procedures for the pre-hearing process and for the hearing.
8. At the hearing, testimony is given and documents introduced.
9. Witnesses are questioned and cross-examined.
10. The arbitrator may ask questions and request information.
11. The arbitrator issues a final and binding decision, generally within thirty (30) days of the close of the hearing.
12. Copies of this decision are sent to both parties.

Requesting Arbitration

All requests for arbitration normally must be filed in writing with the AAA within ninety (90) days of the end of the Open Door Policy, or the mediation process, if you complete steps One and Two of this Program. If you have not taken advantage of the Open Door Policy or Mediation process, you must file your request in writing with the AAA within 180 days of the job action or conduct that forms the basis of your complaint. Any question as to whether these time frames have been met will be decided by the Arbitrator. In cases before a single arbitrator, you must pay a $350.00 filing fee to take your legal dispute to an outside resolution process such as arbitration. The Company will also make a payment to cover any other charges associated with the initial filing fee for the arbitration. The Company will pay arbitration fees in excess of the initial fees unless the arbitrator allocates otherwise in the arbitration decision. However, the Company agrees to pay at least half of the arbitration fees in all cases. To request an outside process, call:

American Arbitration Association
856-435-6401

The Role of Attorneys and Other Legal Issues

You may consult with an attorney or any other advisors of your choice. Unless the arbitrator awards differently or it is otherwise provided by law, you will be liable for all your attorney's fees and expenses. You are not required, however, to hire an attorney to participate in arbitration. The Program applies to relief you might seek personally through the courts for a workplace dispute.

You are also still free to consult the appropriate State Human Rights Commission, the Equal Employment Opportunity Commission (EEOC), or any other government regulatory body for advice regarding your workplace problem. If the EEOC decides to pursue a claim on your behalf, you are free to cooperate. However, you will not be able to receive any portion of any monetary recovery by the EEOC.

The Right to Amend the Plan

Only the President of the Company may amend the Dispute Resolution Program. However, the Company will amend or terminate the Program by giving at least 10 days’ notice to current employees.

Such notice may be provided by posting on the Company intranet or through communication from Human Resources. Any amendment will not apply to any dispute for which a proceeding had already been initiated under the Dispute Resolution Program prior to the date of the amendment. You understand that by remaining employed after receipt of such an amendment, you will be deemed to have accepted these changes.

DISPUTE RESOLUTION PROGRAM

I hereby acknowledge that I have received, read and understand the Apex Commercial Capital Dispute Resolution Program. In consideration of my employment and all future bonus or incentive programs for which I may be eligible, I agree to be bound by the terms of the Apex Commercial Capital Dispute Resolution Program, including waiving any right to a trial by jury, waiving any right to submit any claim to or participate in class actions, and an agreement to submit all covered claims to final and binding arbitration. I have signed this acceptance voluntarily after having had time to consider it and not in reliance on any promises or representation other than those set forth in the Dispute Resolution Program.